

LEAD-BASED PAINT QUESTIONS AND ANSWERS

(Posted On Rural Development Intranet)

NEW LEAD-BASED PAINT REGULATION

Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Housing Receiving Federal Assistance and Federally Owned Residential Property Being Sold

(24 CFR Part 35)

What is the purpose of this regulation?

HUD has issued this regulation to protect young children from lead-based paint hazards in housing that is financially assisted by the Federal government or sold by the government. The regulation establishes requirements that will control lead-based paint hazards in such housing. It applies only to housing that was built before 1978; in that year, lead-based paint was banned nationwide for consumer use.

How does this regulation affect the lead paint disclosure requirements that were issued jointly by HUD and EPA in 1996?

It does not change the disclosure requirements. However, it changes the letter of the subpart of 24 CFR Part 35 where the HUD-published disclosure requirements are found from subpart H to subpart A. The section numbers and the text of the disclosure requirements stay the same.

Can an appraiser complete the necessary paint inspections and risk assessments while doing the appraisal?

Yes, if the appraiser is also a certified paint inspector or risk assessor.

If we were to drill a well or install a new roof with 504 loan or grant assistance, does the new LBP regulation apply?

Under 24 CFR 35.115(a)(8), rehabilitation that does not disturb painted surfaces is exempt.

How should 504 loan or grant applications be processed after 9/15/00?

- Develop a resource list (certified paint inspector, risk assessor, abatement contractors and laboratories) for your state or local office.
- When making the initial visit to the property, determine the age of the dwelling. If the dwelling was built after 1-1-78, then no additional action is needed regarding lead-based paint requirements.
- If the house was built before 1-1-78, and the proposed repairs to the dwelling will disturb the interior or exterior painted surfaces, then the painted areas must be inspected for lead based paint.
- The cost of the inspection, risk assessment (if needed) and clearance reports can be included in loan or grant funds.
- From the paint inspection or risk assessment the necessary corrective action will be spelled out in a report to the owner. If no lead paint is found, then we would proceed as usual. If lead paint is found, then the funds must be included to take the necessary corrective action.
- Lead-based paint corrective actions must be included in the development plan. If the total development cost exceeds loan/grant limits, or is beyond the applicant's repayment ability, other repairs may have to be eliminated or other sources of funding found.

When leveraging a loan with a nonprofit, who is responsible for addressing lead-based paint requirements?

When partnering with nonprofits that are receiving federal assistance (HUD HOME or CBDG funds), the nonprofit should be the lead agency. If the nonprofit will not take the lead, then Rural Development must insure the lead-based paint requirements are followed.